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[REDACTED]

**STATE OF WISCONSIN  
Division of Hearings and Appeals**

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In the Matter of

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

DECISION

MGE/167270

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**PRELIMINARY RECITALS**

Pursuant to a petition filed July 13, 2015, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the Milwaukee Enrollment Services in regard to Medical Assistance, a hearing was held on August 11, 2015, at Milwaukee, Wisconsin.

The issue for determination is whether an application for Medicaid was correctly denied.

There appeared at that time and place the following persons:

**PARTIES IN INTEREST:**

Petitioner:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

I

Respondent:

Department of Health Services  
1 West Wilson Street, Room 651  
Madison, Wisconsin 53703

By: Julie Salmeron

Milwaukee Enrollment Services  
1220 W Vliet St, Room 106  
Milwaukee, WI 53205

**ADMINISTRATIVE LAW JUDGE:**

David D. Fleming  
Division of Hearings and Appeals

**FINDINGS OF FACT**

1. Petitioner (CARES # [REDACTED]) is a resident of Milwaukee County.
2. An application for Medicaid was filed by or on behalf of Petitioner in April 2015. The application sought backdating of benefits. Part of the reason for the application was to get Family Care benefits for Petitioner.

3. Petitioner's application was denied. The reasons for the denial were that Petitioner had assets in excess of program limits, that Petitioner had income in excess of program limits and because Petitioner had not submitted requested verification.
4. Petitioner was sent requests for verification requests dated May 5 and May 14, 2015. Those request sought copies of life insurance policies, real estate tax records as well as bank statements. Most of this was submitted though records as to the value of the real estate are sparse.
5. Petitioner's household size is two; Petitioner and his spouse.
6. Petitioner has a life insurance policy as does his spouse. Petitioner's life insurance policy has a face value of \$7000 and a cash surrender value of \$2268.60 as of March 2015. Petitioner spouse has a life insurance policy with the face value of \$7000 and a cash value of \$2104.16 per letter from the insurance company dated February 27, 2015. Petitioner and his spouse also have a joint bank account with a balance of \$68.09

### **DISCUSSION**

The determination as to whether or not someone is not financially or financially eligible for Medicaid starts a determination as to who was included in their fiscal group. Here a husband and wife are living together; spouses live together are in each other's fiscal group:

#### **15.1.1 EBD Fiscal Group**

An EBD fiscal group includes the individual who is non-financially eligible for Medicaid and anyone who lives with them, and who is legally responsible for them. EBD fiscal test groups will always be a group of one (1) or two (2). Spouses who live together are in each other's fiscal group. This means that the income and assets of both spouses are counted when determining Medicaid eligibility for either or both spouses. The fiscal group size for this situation/living arrangement is two.

...

*Medicaid Eligibility Handbook, (MEH), §15.1.*

The asset limit for Medicaid for an elderly blind and disabled household of two is \$3000. *MEH, §39.4.1.* For life insurance policies exceed \$1500 of face value the total cash value for those policies is counted as an available asset:

#### **16.7.5 Life Insurance**

Count the cash value of all life insurance policies. For persons age 65 or over, blind or disabled, count it only when the total face value of all policies, including riders and attachments, owned by each person exceeds \$1,500. Do this calculation for each EBD person. In determining the face value, do not include any life insurance which has no cash value.

*MEH, §16.7.5.*

I am sustaining the agency denial of Petitioner's April 2015 Medicaid application. The reason for this is that assets that exceed \$3000 asset limit. This is because insurance policies with a face value in excess of \$1500 have their cash value counted and both Petitioner and his spouse had life insurance policies of more than \$1500 face value and with total cash value in excess of \$4000.00.

It was suggested that Petitioner reapply for benefits as there were some changes to the life insurance after the agency denial. It was also noted that Petitioner may want to seek some help from in the application

process from Disability Rights of Wisconsin and/or Legal Action of Wisconsin. Contact addresses and contact phone numbers follow:

Disability Rights - Milwaukee

[REDACTED] St., Suite 3230  
Milwaukee, WI 53214

Fax: [REDACTED]

Legal Action

[REDACTED]  
Milwaukee, WI 53203

[REDACTED] (local)

[REDACTED] (toll free)

[REDACTED] (TTY Relay)

FAX: [REDACTED]

**CONCLUSIONS OF LAW**

That the agency correctly denied Petitioner's application for medical assistance and him as assets to exceed the Medicaid asset limit.

**THEREFORE, it is**

**ORDERED**

That this appeal is dismissed.

**REQUEST FOR A REHEARING**

You may request a rehearing if you think this decision is based on a serious mistake in the facts or the law or if you have found new evidence that would change the decision. Your request must be **received within 20 days after the date of this decision**. Late requests cannot be granted.

Send your request for rehearing in writing to the Division of Hearings and Appeals, 5005 University Avenue, Suite 201, Madison, WI 53705-5400 **and** to those identified in this decision as "PARTIES IN INTEREST." Your rehearing request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and explain why you did not have it at your first hearing. If your request does not explain these things, it will be denied.

The process for requesting a rehearing may be found at Wis. Stat. § 227.49. A copy of the statutes may be found online or at your local library or courthouse.

**APPEAL TO COURT**

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be filed with the Court **and** served either personally or by certified mail on the Secretary of the Department of Health Services, 1 West Wilson Street, Room 651, Madison, Wisconsin 53703, **and** on those identified in

this decision as “PARTIES IN INTEREST” **no more than 30 days after the date of this decision** or 30 days after a denial of a timely rehearing (if you request one).

The process for Circuit Court Appeals may be found at Wis. Stat. §§ 227.52 and 227.53. A copy of the statutes may be found online or at your local library or courthouse.

Given under my hand at the City of Milwaukee,  
Wisconsin, this 2nd day of October, 2015

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\sDavid D. Fleming  
Administrative Law Judge  
Division of Hearings and Appeals



**State of Wisconsin\DIVISION OF HEARINGS AND APPEALS**

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The preceding decision was sent to the following parties on October 2, 2015.

Milwaukee Enrollment Services  
Division of Health Care Access and Accountability